

www.baltimoresun.com/news/maryland/baltimore-county/dundalk/bs-md-co-sparrows-point-future-20130503,0,3115241.story

baltimoresun.com

Baltimore Co. hopes to attract thousands of jobs to Sparrows Point

Kamenetz says new shipping terminal possible in 10-12 years

By Alison Knezevich, The Baltimore Sun

9:07 PM EDT, May 3, 2013

A new marine terminal could bring 9,000 jobs to the Sparrows Point peninsula, Baltimore County Executive Kevin Kamenetz said Friday as he laid out the county's vision for remaking the land around its closed steel mill.

A terminal in the peninsula's Coke Point area could take 10 to 12 years to become a reality, he said, and plans depend on the Maryland Port Administration's negotiations with the land's private owners, among other factors. The area has complicated environmental problems, but county leaders say the peninsula offers an exceptional location and the infrastructure to attract new investment.

Kamenetz formed the Sparrows Point Partnership last spring to study how the area's 3,300 acres could be redeveloped if the steel mill closed, and the group's recommendations were released Friday. The mill, once the world's largest and an employer of tens of thousands, laid off the roughly 2,000 workers remaining last year after owner RG Steel declared bankruptcy.

"Even though things looked bleak, we've remained optimistic in this county," Kamenetz said. "We were determined to overcome this obstacle in order to bring thousands of good jobs back to Sparrows Point."

The Port Administration has been trying to secure about 300 acres at Coke Point, on the peninsula's southwest end, to contain material that is dredged from the bottom of Baltimore's harbor. Ultimately, the administration believes a new shipping terminal built there could create 9,000 jobs, Kamenetz said.

Baltimore is one of only two East Coast ports that currently has deep enough channels to serve the very large container ships expected to begin using the expanded Panama Canal when it opens by 2015. Norfolk, Va., is the other.

Ted Venetoulis, a port commissioner and former county executive, said the goal is "to create an incredible terminal that will literally satisfy maritime needs for the next century."

In the short term, piers on Coke Point's east side are "immediately available for bulk commodities, including loading and unloading of automobiles," Kamenetz said.

County economic development officials said that could create 1,000 jobs within the next three years.

The partnership's members include representatives of the development, port operations, manufacturing and transportation industries. The group, which first met last June, is studying how the county can lure new investment to industrially zoned land on the peninsula.

The group's report concluded the area has the infrastructure to attract jobs in fields including maritime, clean energy, manufacturing and distribution. Kamenetz said the county stands ready to use economic incentives to lure new investment to the peninsula.

At a news conference Friday in Towson, Kamenetz focused largely on opportunities in the Coke Point area being eyed by port of Baltimore officials.

Port-related jobs pay well, and the "port isn't going to go away," said Richard Clinch, director of economic research at the University of Baltimore's Jacob France Institute.

"The port has been doing well over the past five or six years, so it seems like a plausible use" of the land, Clinch said.

Still, "competition has really been heating up for port expansion around the country," Clinch said. "There's a finite amount of cargo coming to the East Coast. ... Ports are investing in expanding in order to capture more and more of the shipping that's coming in."

But there's also a finite amount of land suited for development into shipping terminals in largely developed East Coast ports.

Coke Point also presents the peninsula's "greatest environmental challenges, with tremendous cleanup expense" that could cost up to \$75 million, Kamenetz said

"The current owner must recognize that we will not allow them to avoid this cleanup obligation," he said.

Environmental Liability Transfer Inc., a St. Louis-based firm that specializes in buying properties with environmental problems, purchased Sparrows Point in a bankruptcy auction last August.

In March, ELT turned down a Port Administration offer for the Coke Point site. Negotiations are continuing.

"We certainly recognize that it's private property, but we also recognize that government has a role in the future of this," Kamenetz said. "We will do everything we can to make sure that the port of Baltimore has access to that land."

An executive with Commercial Development Corp., the parent company of ELT, said the company supports the county's vision.

"We are looking forward to working with the county and the state and the community on seeing this vision develop into a plan for us to execute," said John Macsherry, a vice president of commercial development and a member of the county task force, in a statement. "We have been in discussions with the port since we gained control of the site to find a creative solution to their short-term goal of a dredged containment site and their long-term plans for a marine terminal. We see the port as an active partner in the repurposing of the site and are looking forward to finalizing a transaction with the port."

County officials said the next step would be taking their plans to community members.

Fran Taylor of the North Point Peninsula Community Coordinating Council said residents need details of the report and that his group plans to set up a meeting between partnership officials and the community.

Some residents have raised concerns about environmental issues surrounding the plans for Coke Point, he said.

Still, Taylor said, "I think people are very hopeful that whatever happens over there will be a benefit to the community."

alisonk@baltsun.com